

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

MASTER DEED ESTABLISHING
TWO PHASED
BEACHSIDE TENNIS VILLAS HORIZONTAL
PROPERTY REGIME LXXVIII

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WHEREAS, Sea Pines Plantation Company, a South Carolina Corporation, is the sole owner of the fee simple title to property located in the County and State aforesaid and desires to submit such of that property as specifically described herein to a Two Phased Horizontal Property Regime according to the laws of the State aforesaid and subject to the conditions and restrictions contained herein;

NOW, THEREFORE, in consideration of the premises and the benefit expected to flow to it as a result of the submission of the property to a Horizontal Property Regime.

KNOW ALL MEN BY THESE PRESENTS that Sea Pines Plantation Company, (the "Grantor") for itself, its successors and assigns, intends to submit the land and all improvements thereon, and to be constructed thereon, described in Exhibit A, attached hereto and, by reference, incorporated herein, to a Horizontal Property Regime according and subject to the terms, provisions and definitions of S. C. Code Ann., §§27-31-10 through 27-31-300, Horizontal Property Act (Act) as it is now constituted and as it may from time to time be amended; provided, however, that such submission shall be and is further subject to the conditions, provisions and restrictions contained herein, all of which shall run with the land. The Units in Phase I have been completed and are herewith being submitted to condominium ownership by the recording of this Master Deed.

ARTICLE I

ESTABLISHMENT OF HORIZONTAL PROPERTY REGIME AND
FUTURE PHASE CONSTRUCTION LOANS

SECTION 1. GENERAL. The purpose of this Master Deed is to establish, pursuant to the Horizontal Property Act of the State of South Carolina, a two phased horizontal property regime to be known as Beachside Tennis Villas, Horizontal Property

Regime LXXVIII (hereinafter referred to as the "Regime"). The land and improvements to be submitted to the provisions of the Horizontal Property Act and to the terms of this Master Deed are described in their totality in Article II as the Condominium Property. Grantor, by filing or recording this Master Deed, publishes and declares that the Condominium Property shall be owned, occupied, used, conveyed, encumbered, leased, and improved by phases in accordance with the provisions of the Horizontal Property Act of the State of South Carolina, and in accordance with the covenants, restrictions, encumbrances, and obligations set forth or incorporated by reference in this Master Deed, all of which shall be deemed to be covenants and obligations running with the land.

SECTION 2. GENERAL DESCRIPTION OF PLAN OF DEVELOPMENT.

Grantor intends to develop the Property hereafter described as a two phased condominium regime. Phase I consists of Property identified as shown on the hereafter referenced plat as "Phase 1-A and Phase 1-B" and "Phase II" is shown on said plat as "Parcel BB." The maximum number of units in the two phases shall be eighty-one (81) total units, all as identified and described herein. The units in Phase I have been completed and are herewith being submitted to condominium ownership by the recording of this Master Deed. Grantor will elect whether or not to submit Phase II property to condominium ownership on or before May 1, 1983. Grantor hereby reserves the right in its sole discretion to elect to develop or not to develop and to submit or not to submit to condominium ownership any phase and further reserves the right to determine in its sole discretion to develop and submit any phase to condominium ownership without regard to any other phase development and submission, should it, the said Grantor, so decide. The Grantor, further, may change the order of submission as it (they) so choose without regard to numerical sequence. A general description of the nature and proposed use of all common elements which the Grantor is constructing is contained in Exhibit "C" of this Master Deed. Any such common elements

associated with or constructed solely within Phase II will not substantially increase the proportionate amount of the common expenses payable by existing unit owners and are considered of a minor, incidental nature except that a pool and associated recreational area of Common Properties will be placed upon Phase II Property and may cause an increase of the common expenses. A chart showing the percentage interest in the common elements each unit owner at each stage of development, if the Grantor herein submitting the property to condominium ownership elects to proceed with other phases of development, is attached hereto as Exhibit "E".

SECTION 3. GRANTOR CONSTRUCTION LOANS FOR UNDEDICATED PHASES. Except for the hereafter defined Phase I, the Grantor in whose name title remains for specific future phases, recreation areas, or other common properties, hereby reserves the right and privilege to enter into one or more construction or development loans and related mortgages securing said loans. Such loans shall, upon execution and mortgage recordation, become superior in title, right and priority to the terms, conditions and dedication to the condominium regime as set forth herein. Upon dedication of any such future regime or recreation area or other common properties to the plan of this phased condominium regime by the filing of appropriate amendatory documentation, this reserved right of loan and mortgage shall no longer exist for any such property not so previously mortgaged of record as set forth herein.

SECTION 4. RIGHTS AND OBLIGATIONS. Grantor hereby acknowledges its obligation to submit herewith the within described Phase I property to condominium ownership and hereby reserves its right to elect to proceed with either or all of Phase II as required and/or permitted herein. The Apartment owners of Phase I and any additional Phases dedicated to the Regime by Grantor as provided herein shall have the full legal rights and be obligated as allowed or required by South Carolina law. The Apartment Owners by purchasing and accepting a unit of the

property hereby acknowledge that further phase construction and dedication by Grantor shall diminish the percentage of ownership in the common property as described and provided in Exhibit "E" hereto and in other applicable portions of this Master Deed. The Grantor shall add the additional Phases to the provisions hereof by filing of record an appropriate document signed by the Grantor and referencing this Master Deed. Upon the proper recordation thereof, the added Phase(s) shall become an integral portion hereof as provided by the laws of this state and by this document.

ARTICLE II

CONDOMINIUM PROPERTY

SECTION 1. Land. Grantor owns in fee simple or will acquire the tracts of land containing a total of 9.362 acres, more or less, which are described in Exhibit "A" of this Master Deed, subject to the following encumbrances:

- 1.1 Declaration of Covenants, Restrictions, Affirmative Obligations Applicable to All Class "B" Multi-Family Residence Areas by the Sea Pines Plantation Company, dated July 9, 1964, and recorded in Deed Book 124, Page 35, Office of the Clerk of Court for Beaufort County, South Carolina, along with any recorded amendments thereto.
- 1.2 Restrictions, easements, options to repurchase, etc. as contained in the records of the Office of the Clerk of Court for Beaufort County, South Carolina in Deed Book 176 at Page 203, Deed Book 224 at Page 1036 and any applicable amendments thereto, and as shown upon all plats of record.
- 1.3 Easements for installation, operation, and maintenance of electric, water, sewer, telephone distribution lines, pipes, mains, and accessory equipment.
- 1.4 Easements granted or to be granted to Sea Pines Public Service District, Hargray Telephone Company, and Palmetto Electric Cooperative for ingress and egress and for the installation, operation, and maintenance of water and sewer lines and accessory equipment.
- 1.5 Easement of ingress and egress to all other phases of Beachside Tennis Villas Regime and to the swimming pool and other amenity site, if any, included in the Property hereinafter described in Exhibit "A" hereto and the plats of record associated herewith.
- 1.6 Easement hereby reserved for previous Beachside Tennis Villas phases or regime, if any, for use of access roadways, walkways, paths, etc., for ingress and egress to such phases or regimes.

SECTION 2. VILLAS. Grantor has or will construct upon the land described in Exhibit "A" of this Master Deed three (3)

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buildings enclosing eighty-one (81) condominium units (hereinafter referred to as "Villas" or "Dwelling Units" or "Apartments" with twenty-eight (28) such units in Phase I and proposes in accordance with the provisions of this Master Deed to complete or construct additional units numbering a maximum of seventeen (17) in Phase I and thirty-six (36) Units in Phase II of this regime. The site locations or proposed locations of the buildings and the maximum of eighty-one (81) Villas are shown on the Plat of the condominium property contained in Exhibit "B" of this Master Deed but Grantor hereby reserves the right to determine the number of future units to construct and their location in accordance with the provisions of this Master Deed and applicable law. The Villas are of the general design as graphically depicted in the certified architect's plans which are compiled and annexed to this Master Deed. Each Villa is composed of the interior cubic space, fixtures, appliances, furnishings, walls, floors, ceilings, and building materials enclosed within the following boundaries:

- 2.1 The upper boundaries of the Unit shall extend to the inner surface of the roof sheathing over the Unit. The lower boundaries of the Unit shall extend to the bottom of the granular fill beneath the structural slab underlying the lowest level of the Unit.
- 2.2 The perimetrical boundaries of the Unit shall extend to the rear surface of the wall sheathing to which the exterior siding of the Unit is attached and to the center-line of the frame party wall adjacent to the Unit.
- 2.3 The boundaries of each Unit shall extend also to include the area enclosed or bounded by the screens, partitions, railings, balustrades, or fences of any deck, terrace, balcony, stoop and steps, porch, courtyard, patio, or service area which is an integral and exclusive part of that particular Unit. If any such area is not thus bounded or enclosed, the boundaries of the Unit shall be extended to include the area defined or actually covered by any such deck, terrace, balcony, stoop and steps, porch, courtyard, patio, or service area.
- 2.4 Each Unit shall also encompass and include and each Unit Owner shall be responsible for maintenance and repair of the following, if present, to wit: (i) the doorways, windows, vents, and other structural elements in the wall, floors, and ceilings, of the Unit which are regarded as enclosures of space; (ii) the doors opening into the Unit and into any mechanical area or courtyard integral to the Unit including the frames, casings, hinges, handles, and other fixtures which are part of the doors; (iii) the window glasses, screens, frames, wells, and casings which are part of the

windows opening from the Unit; (iv) the metal flue and the plumbing and mechanical vents which exclusively serve the Unit; (v) the appliances, air conditioning and heating units, hot water heaters, lavatories, bath tubs, toilets, carpeting, floor covering, flooring, trim, ceilings, walls, framing, floor joists, trusses, beams, insulation, structural slab and fill, and other fixtures, furnishings, and building materials which are part of the Unit when delivered to the initial Unit Owner; (vi) any swimming pool, bath house, and other recreational facility which may now or hereafter be located upon the land; and (vii) all other elements of the Condominium Property rationally of common use or necessary to its existence, maintenance and safety.

SECTION 3 The Limited Common Elements shall include the following, if present, to wit:

- (a) the surface areas and railings of all decks/terrace and balconies accessible by normal means solely from the Unit;
- (b) all material, including but not limited to, studs, sheetrock and plywood, attached to or on the inside surface of perimeter walls, floors and ceilings of the Unit;
- (c) all doors, windows, screens, ventilation fans and vents located in the perimeter walls, floors or ceilings thereof;
- (d) all air-handling units, condensers, ducts and components and all water, power, telephone, television and cable television, electricity, plumbing, gas and sewer lines located in the apartment; provided, however, that the portion of said lines located in a common compartment for, or installation of, such lines shall be general common elements as described above.

ARTICLE III

DEFINITIONS

As used in this Master Deed and By-Laws and Exhibits attached hereto, and all amendments thereof, unless the context otherwise requires, the following definitions shall prevail:

(1) "The Property" means the total of 9.362 acres of land ("Land") and the easements granted and described in Exhibit "A" shown as "Phase 1-A," "Phase 1-B," and "Parcel BB, "; the buildings constructed or to be constructed in future phases upon the Land, situated as shown on the Plat of the Condominium Property contained in Exhibit "B" or on future plats dedicating future phases to the Regime as prescribed herein; the proposed eighty-one (81) Condominium Units which are or may be enclosed within such buildings as described verbally in Article II of this

Master Deed and which are portrayed graphically on the Plans contained in Exhibit C or on future plats dedicating future phases to the Regime as prescribed herein; and all other improvements and property, real, personal and mixed, situated upon or appurtenant to the Land, which are or which may be made part of Beachside Tennis Villas Horizontal Property Regime LXXVIII.

(2) "Master Deed" means this instrument, as it may from time to time be amended.

(3) "Association" means Beachside Tennis Villas Owners Association a South Carolina non-profit corporation, said entity is responsible for the operation of the Condominium. During any period when a management agreement is in effect, any rights or responsibilities of the Association shall also be the rights and responsibilities of the management firm under said management agreement.

(4) "By-Laws" means the By-Laws of the Beachside Tennis Villas Horizontal Property Regime and Beachside Tennis Villas Owners Association as it may be from time to time amended. See Exhibit "D" hereof.

(5) "Common Elements" means the portions of the Condominium Property not included in the Units. Common Elements shall include the tangible personal property required for maintenance and operation of the Condominium, even though owned by the Association.

(6) "Limited Common Elements" means and includes those common elements which are reserved for the use of a certain unit or units, to the exclusion of all other units.

(7) "Condominium" means that form of ownership of Condominium Property under which units or improvements are subject to ownership by one or more owners, and there is appurtenant to each unit, as part thereof, an undivided share in the common elements.

(8) "Horizontal Property Act" means and refers to the Horizontal Property Act of the State of South Carolina, Title 27, Chapter 31, Code of Laws of South Carolina, 1976, (as amended) and all references to the "Horizontal Property Act" adopted and enacted from time to time.

(9) "Common Expenses" means the expenses for which the unit owners are liable to the Association.

(10) "Common Surplus" means the excess of all receipts of the Association including, but not limited to, assessments, rents, profits and revenues on account of the common elements, over and above the amount of common expenses.

(11) "Condominium Property" means and includes the land described in Exhibit A, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto, intended for use in connection with the Condominium, including an interest in the swimming pool site hereafter described.

(12) "Assessment" means a share of the funds required for the payment of common expenses which, from time to time, are assessed against the unit owners.

(13) "Condominium Parcel" or "Parcel" means a unit, together with the undivided share in the common elements which are appurtenant to the unit.

(14) "Condominium Unit" or "Unit" or "Apartment" is a Unit referring to each of the separate and identified units delineated in the Plat attached to the Master Deed as Exhibit "B" and when the context permits, the Condominium parcel includes such unit, including its share of the common elements appurtenant thereto.

(15) "Unit Owner" or "Owner of Unit" or "Parcel Owner" means the owner of a Condominium parcel in fee simple.

(16) "Developer" and/or "Grantor" means Sea Pines Plantation Company, a South Carolina corporation, its successors and assigns.

(17) "Institutional Mortgagee" means a Bank, Savings and Loan Association, Insurance Company or Union Pension Fund authorized to do business in the United States of America, an Agency of the United States Government, a real estate or mortgage investment trust, a lender generally recognized in the community as an institutional type lender or the Developer/Grantor, its successors and assigns when it takes a purchase money mortgage.

(18) "Occupant" means the person or persons, other than the unit owner, in possession of a unit.

(19) "Condominium Documents" means this Master Deed, the By-Laws and all exhibits annexed hereto, as the same may be amended from time to time.

(20) "Board of Administration" or "Board of Directors" or "Board" means the representative body responsible for administration of the Association.

(21) "Management Agreement" means and refers to that certain agreement which provides for the management of the Condominium Property.

(22) "Management Firm" means and refers to the entity identified as the Management Firm in the Management Agreement, its successors and assigns. The Management Firm shall be responsible for the management of the Condominium Property as provided in the Management Agreement.

(23) "Recreational Area" means the herein described area of the Property which contains the swimming pool and some of the common amenities associated with Condominium Property as may be shown on the Plat.

(24) "Association Properties" means such property as is owned by the Association from time to time in accordance with the terms of this Master Deed.

(25) Unless the context otherwise requires, all other terms in this Master Deed shall be assumed to have the meaning attributed to the said term by Horizontal Property Act of the State of South Carolina, Title 27, Chapter 31, Code of Laws of South Carolina, 1976, as amended, as of the date of this Master Deed.

ARTICLE IV

BEACHSIDE TENNIS VILLAS OWNERS ASSOCIATION

SECTION 1. FORMATION. Each Condominium Unit Owner shall be a member of Beachside Tennis Villas Owners Association (hereinafter referred to as "Association"), a South Carolina Non-Profit Corporation existing under the laws of the State of South Carolina.

The Association shall be managed by a Board of Directors elected by and from the Condominium Unit Owners.

SECTION 2. BY-LAWS. The affairs of the Association and the administration of the Condominium Property shall be governed by the provisions of this Master Deed and the By-Laws, a copy of which is attached hereto as Exhibit "D". The By-Laws of the Association may be amended from time to time, but only in the manner expressly provided in the By-Laws.

SECTION 3. VOTING. On all matters relating to the Association or to the Condominium Property upon which a vote of the Condominium Unit Owners is taken, the Condominium Unit Owners shall vote in proportion to their respective interests in the Common Elements as set forth in Exhibit "D". Any motion shall carry if it receives the affirmative vote of a simple majority of Condominium Unit Owners, unless a different majority is specified in this Master Deed or in the By-Laws. A simple majority of the Condominium Unit Owners shall consist of fifty-one (51%) percent of the total interest in the Common Elements.

SECTION 4. BINDING EFFECT. All agreements, decisions, and resolutions legally made by the Association in accordance with the provisions of this Master Deed and the By-Laws shall be binding upon all Condominium Unit Owners.

SECTION 5. MANAGEMENT FIRM. The responsibility for administration of the Condominium Property may be delegated by the Association to a professional management firm. By proper resolution of the Association, such a management firm may be authorized to assume any of the functions, duties, and powers assigned to the Board of Directors in the By-Laws or in this Master Deed.

ARTICLE V

CONDOMINIUM UNIT--OWNERSHIP AND USE

SECTION 1. OWNERSHIP OF CONDOMINIUM UNIT. Each Condominium Unit, together with its undivided interest in Common Elements, shall constitute a separate parcel of real property, and each Condominium Unit Owner shall be entitled to exclusive

ownership and possession of his/her Condominium Unit, subject to:

(i) The provisions of this Master Deed and the easements, restrictions, covenants and encumbrances set forth herein; (ii) Declaration of Covenants, Restrictions and Affirmative Obligations applicable to all Multi-Family Residence Areas as recorded in Deed Book 124 at Page 35 in the Office of the Clerk of Court for Beaufort County, South Carolina, and any recorded additions or amendments thereof; (iii) The By-Laws of the Association, as they may be amended from time to time, together with the regulations and resolutions that may be adopted by the Association or its Board pursuant to the By-Laws; (iv) The Horizontal Property Act of the State of South Carolina; (v) The provisions of those covenants and restrictions recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 224 at Page 1036 and in Deed Book 176 at Page 203; and (vi) The following specific limitations on use:

No unit in any building may be owned by more than three (3) owners unless prior to submission of that phase by the Grantor such multiple ownership is authorized by the Grantor. For purposes of this subparagraph, a married couple constitutes a single owner. A unit may be owned by a corporation or partnership only if the principal business activity of the corporation or partnership is a business or professional activity other than the ownership of condominium units. The purpose of this subparagraph is to preclude units being sold under vacation time-sharing, interval ownership or right-to-use programs.

SECTION 2. LEGAL DESCRIPTION. Each Condominium Unit may be sufficiently described for purposes of deeds, mortgages, leases, and other conveyances by referring to its designated unit number and letter and by reciting that it is part of Beachside Tennis Villas Horizontal Property Regime LXXVIII established by this Master Deed. The conveyance of an individual unit shall be deemed to convey the undivided interest in Common Elements appurtenant to that unit. The ownership of an undivided interest in Common Elements appurtenant to a unit shall be inseparable

from the unit and no such undivided interest may be conveyed or encumbered except as an appurtenance to the unit.

SECTION 3. MAINTENANCE AND REPAIR. Every Unit Owner shall be responsible at his own expense for maintaining, repairing, and decorating all walls, ceilings, floors, and other elements of his unit as defined in Article II, Section 2. However, no Unit Owner shall make structural modifications or alterations to his Unit, nor shall any Unit Owner alter any door, window, vent, flue, terrace, deck, balcony or courtyard without obtaining prior written approval of the Board. Written notice of any intended modification shall be given to the Board, setting forth details and requesting approval. The Board shall consider the request and decide whether approval shall be granted. The Board shall advise the Unit Owner of its decision in writing within One Hundred Twenty (120) days from the receipt of the request. Nothing in this section shall relieve the Unit Owner from obtaining approval for alterations required by other applicable covenants or restrictions. No Unit Owner shall undertake to modify any portion of the Common Elements.

ARTICLE VI

CONDOMINIUM UNITS--LOCATION AND DESCRIPTION

SECTION 1. BUILDING LOCATION. The building containing Units 1820 through 1847 is located on "Phase 1-A" as shown on Exhibit "B". The building containing Units 1848 through 1864 is located on "Phase 1-B" as shown on Exhibit "B". The building containing Units 1865 through 1900 is to be located on "Parcel BB" as shown on Exhibit "B".

SECTION 2. CONDOMINIUM UNIT DESCRIPTION

Villa Description

<u>Unit Types:</u>		<u>Unit Numbers:</u>	
(a)	1 BR	1033 sq.ft.	1824
(b)	2 BR, units	A-R 1413 sq.ft.	1844, 1853, 1858, 1862, 1864
		B-R	1829, 1830, 1836, 1841, 1852, 1854, 1861
		C-R	1828, 1834, 1835, 1856, 1860, 1863
		F-R	1822
		G-R	1823, 1848
(c)	2 BR, units	A-L 1413 sq.ft.	1839, 1842, 1840, 1845, 1846
		B-L	1827, 1833
		C-L	1857
		F-L	1850
		G-L	1821, 1849
(d)	2 BR, units	D-R 1413 sq.ft.	1832
		E-R	1826, 1838
		H-R	1820
(e)	2 BR, units	D-L 1413 sq.ft.	1831, 1837, 1855
		E-L	1843, 1847, 1859
		H-L	1825, 1851

The (a) unit contains 1033 sq.ft. enclosed area, exclusive of balconies. Each unit is made up of bays, one measuring 4 feet 0 inches deep, and 14 feet, 0 inches wide (the living area bay); the other measuring 31 feet 8 inches deep, and 11 feet 10 inches wide (the bedroom bay). The unit has the following (or equivalent) Heating and Air Conditioning equipment: Air Cooled Heat Pump, Carrier 38CQ027 and Air Handling Unit with auxiliary electric heat, Carrier 40AQ024.

Each unit enters into a foyer/hallway of 93 sq.ft.

Immediately on the right is a utility area of 38.5 sq.ft. which contains the washer/dryer. A mechanical closet of 9 sq.ft. is adjacent to the utility area.

Beyond the utility area is the kitchen of 72 sq. ft.

Beyond the kitchen, at the end of the foyer/hallway is the dining/living area of 341 sq.ft.

Immediately to the left as the unit is entered is the entry to the bedroom suite area, which includes a bedroom of 235 sq.ft.; a bath of 69 sq.ft., which contains a tub, water closet, and double bowl lavatory, a closet of 16 sq.ft. along the bathroom wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area.

The (b) unit contains 1413 sq.ft. enclosed area, exclusive of balconies. Each unit is made up of 3 bays, one measuring 41 feet 0 inches deep, and 14 feet 0 inches wide (the living area bay); flanked by two measuring 31 feet 8 inches deep, and 11 feet 10 inches wide (the bedroom bays). The unit has the following (or equivalent) Heating and Air Conditioning equipment: 2 Air Cooled Heat Pumps, Carrier 38CQ027 and 38CQ015 and Air Handling Units with auxiliary electric heat, Carrier 40AQ024 and 40AQ018.

Each unit enters into a foyer area of 61.25 sq.ft. Along the corridor wall there are two closets, the first has 18 sq.ft. and contains the washer/dryer, the other has 13 sq.ft. and contains the mechanical system.

Immediately to the left is the bedroom suite area #2, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft., which contains a tub, water closet and double bowl lavatory, a closet of 16 sq.ft. along the bathroom wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area.

Immediately ahead as you enter the foyer is the entry hallway of 45 sq.ft. leading into the living/dining area of 341 sq.ft. Along the foyer wall, to the right of the entry hallway is the kitchen of 72 sq.ft.

Across the foyer to the right is the bedroom suite #1, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft., which contains a tub, water closet and double bowl lavatory, a closet of 16 sq.ft. along the bathroom wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area.

In these units, bedroom suite #2 is connected with the living/dining area by a door entering the entry hallway.

The (c) unit contains 1413 sq.ft. enclosed area, exclusive of balconies. Each unit is made up of 3 bays, one measuring 41 feet 0 inches deep, and 14 feet 0 inches wide (the living area bay); flanked by two measuring 31 feet 8 inches deep, and 11 feet 10 inches wide (the bedroom bays). The unit has the following (or equivalent) Heating and Air Conditioning equipment: 2 Air Cooled Heat Pumps, Carrier 38CQ027 and 38CQ015 and Air Handling Units with auxiliary electric heat, Carrier 40AQ024 and 40AQ018.

Each unit enters into a foyer area of 61.25 sq.ft. Along the corridor wall there are two closets, the first has 18 sq.ft. and contains the washer/dryer, the other has 13 sq.ft. and contains the mechanical system.

Immediately to the left is the bedroom suite area #2, which includes a bedroom of 235 sq.ft., a bath of 60 sq.ft., which contains a tub, water closet and double bowl lavatory, a closet of 16 sq.ft. along the bathroom wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area.

Immediately ahead as you enter the foyer is the entry hallway of 45 sq. ft. leading into the living/dining area of 341 sq.ft. Along the foyer wall, to the right of the entry hallway is the kitchen of 72 sq. ft.

Across the foyer to the right is the bedroom suite #1, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft., which contains a tub, water closet and double bowl lavatory, a closet of 16 sq.ft. along the bathroom wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area.

In these units, bedroom suite #1 is connected with the living/dining area by a door entering the dining area.

The (d) unit contains 1413 sq.ft. enclosed area, exclusive of balconies. Each unit is made up of 3 bays, one measuring 34 feet 2 inches deep, and 14 feet 0 inches wide (the living area bay), one measuring 41 feet 8 inches deep, and 11 feet 10 inches wide (the entry/bedroom #1 bay), one measuring 32 feet 8 inches deep, and 11 feet 10 inches wide (bedroom #2 bay). The unit has the following (or equivalent) Heating and Air Conditioning equipment: 2 Air Cooled Heat Pumps, Carrier 38CQ027 and 38CQ015 and Air Handling Units with auxiliary electric heat, Carrier 40AQ024 and 40AQ018.

Each unit enters into a foyer area of 77.5 sq.ft. Along the corridor wall there is a closet of 19.5 sq.ft.

Immediately to the right is the entry hallway of 30 sq.ft. leading into the living/dining area of 341 sq.ft. Along the corridor wall is a kitchen of 72 sq.ft. and two closets, one of 6 sq.ft. the other of 9 sq.ft.

Immediately ahead as you enter the foyer is bedroom suite #1, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft., which contains a tub, water closet, and double bowl lavatory, and an entry area of 30 sq.ft. A closet along the bathroom wall of the bedroom has 16 sq.ft.

Across the foyer to the left is the bedroom suite #2, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft. which contains a tub, water closet, and double bowl lavatory, a closet of 16 sq.ft. along the bath room wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area, which contains the mechanical system.

In these units bedroom suite #1 is connected with the living/dining area by a door entering the dining area.

The (e) unit contains 1413 sq.ft. enclosed area, exclusive of balconies. Each unit is made up of 3 bays, one measuring 34 feet 2 inches deep, and 14 feet 0 inches wide (the living area bay), one measuring 41 feet 8 inches deep, and 11 feet 10 inches wide (the entry/bedroom #1 bay), one measuring 32 feet 8 inches deep, and 11 feet 10 inches wide (bedroom #2 bay). The unit has the following (or equivalent) Heating and Air Conditioning equipment: 2 Air Cooled Heat Pumps, Carrier 38CQ021 and 38CQ015.

Each unit enters into a foyer area of 77.5 sq.ft. Along the corridor wall there is a closet of 19.5 sq.ft.

Immediately to the left is the entry hallway of 30 sq.ft. leading into the living/dining area of 341 sq.ft. Along the corridor wall is a kitchen of 72 sq.ft. and two closets, one of 6 sq.ft., the other of 9 sq.ft.

Immediately ahead as you enter the foyer is bedroom suite #1, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft., which contains a tub, water closet, and double bowl lavatory, and an entry area of 30 sq.ft. A closet along the bathroom wall of the bedroom has 16 sq.ft.

Across the foyer to the right is the bedroom suite #2, which includes a bedroom of 235 sq.ft., a bath of 69 sq.ft. which contains a tub, water closet, and double bowl lavatory, a closet of 16 sq.ft. along the bath room wall, and an entry area of 30 sq.ft. A closet of 8.75 sq.ft. is along the corridor wall in the entry area, which contains the mechanical system.

In these units bedroom suite #1 is connected with the living/dining area by a door entering the dining area.

ARTICLE VII

COMMON ELEMENTS--OWNERSHIP AND USE

SECTION 1. OWNERSHIP OF COMMON ELEMENTS. Each Unit Owner, either of the initial phase or hereafter established phase(s), shall own as an appurtenance of his unit the undivided interest in the Common Elements specified in Exhibit "E". The

percentage interest set out therein represents the values of each Unit in proportion to the total value of the Property, as well as the proportionate representation for voting purposes in the meeting of the Association. For the purposes of this instrument, the total value of the Property herein is Nineteen Million Seven Hundred Fifty One Thousand and 00/100 (\$19,751,000.00) Dollars. The stated individual value for each Unit indicated in Exhibit "E" shall not be deemed to establish or limit the price for which the Property or any unit may be sold or exchanged.

SECTION 2. NO PARTITION. So long as this Master Deed has not been terminated in accordance with the provisions of Article XIII, and so long as two-thirds (2/3) of the Condominium Property has not been substantially destroyed within the meaning of Article X, the Common Elements shall remain undivided; and no Unit Owner shall have the right to bring any action for partition or division.

SECTION 3. USE OF COMMON ELEMENTS. Each Unit Owner shall have the right to use the Common Elements for their intended purposes in common with all other Unit Owners. Each Unit Owner shall have also a non-exclusive easement appurtenant to his unit for ingress and egress over the Common Elements for access to and from his unit, which shall extend to the family members, guests, agents and servants of the Unit Owner. All rights to use and enjoy the Common Elements shall be subject to the provisions of the Horizontal Property Act, this Master Deed, the Covenants, the By-Laws of the Association, and all rules and regulations adopted by the Association pursuant to the By-Laws.

SECTION 4. OPERATION AND MAINTENANCE. The maintenance, repair, replacement, management, operation and use of the Common Elements shall be the responsibility of the Board, and the expenses incurred for such purposes shall be assessed as Common Expenses. The Board may, however, delegate these duties to a management firm.

ARTICLE VIII
COMMON EXPENSES

SECTION 1. ENUMERATION OF EXPENSES. Each Unit Owner shall bear in proportion to his respective interest in the Common Elements the following expenses:

SECTION 1.1 Expenses incurred in operating, maintaining, improving, repairing and replacing the Common Elements.

SECTION 1.2 Expenses incurred in operating, maintaining, improving, repairing, insuring, replacing, etc. the swimming pool and other associated amenities, located as described in Exhibit "A" in common and in proportion of total unit value with other owners of past or future phases of Beachside Tennis Villas, if any, constructed on the remaining acreage undedicated to condominium ownership described in Exhibit "A".

SECTION 1.3 Expenses incurred in administering the affairs of the Association including salaries, wages and any compensation paid to a management firm for such purpose.

SECTION 1.4 Cost of providing liability insurance and hazard insurance adequate to cover the Condominium Property, exclusive of unit contents and furnishings, as provided in Article X of this Master Deed.

SECTION 1.5 Contributions to provide sufficient reserves to make such general reserves to operate the Condominium Property and to administer the affairs of the Association.

SECTION 1.6 Contributions to provide sufficient reserves to make such major repairs or replacements to the Common Elements as may be required from time to time.

SECTION 1.7 Any other costs related to the operation of the Condominium Property or administration of the affairs of the Association which are declared by this Master Deed to be Common Elements and any valid charge against the Condominium Property as a whole.

SECTION 2. ASSESSMENTS. All assessments of Common Expenses

shall be fixed by the Board and made payable at such times as the Board determines, but no less frequently than quarterly.

SECTION 3. LIABILITY OF UNIT OWNER. No Unit Owner may exempt himself from liability for common expenses by waiving the use or enjoyment of the Common Elements or by abandoning his unit.

SECTION 4. LIEN UPON UNIT. All assessments of the Association for the share of Common Expenses chargeable to any unit which are unpaid after becoming due shall, upon proper recording in the Office of the Clerk of Court for Beaufort County, South Carolina, constitute a lien against such Unit prior and superior to all other liens except: (1) Liens for property taxes upon the Unit in favor of any taxing authority; and (2) mortgage liens duly recorded prior to such delinquency. The lien of such assessments may be foreclosed by the Board acting in behalf of the Association in the same manner as a mortgage upon real property. In the event of foreclosure the Unit Owner shall be required to pay a reasonable rental for the Unit during pendency of the foreclosure action, and a Receiver may be appointed to collect the rentals during such period. The Board, in behalf of the Association, may bring suit for judgments against the Unit Owner in the amount of delinquent assessments. In the event of foreclosure or suit for money judgment, a reasonable amount may be added to the sum due for attorney's fees and other costs of collection. The lien created by this section shall cover rentals accruing during the pendency of the foreclosure action and any reasonable amount of attorney's fees and other costs of collection.

SECTION 5. SALES OF UNIT. Upon the sale or conveyance of a Unit, all unpaid assessments against a Unit Owner for his pro rata share of Common Expenses shall first be paid out of the sale price or by the purchaser or grantee in preference over any other assessments, charges, or liens, except the following:

SECTION 5.1 Lien for taxes and special assessments upon the Unit which are unpaid.

SECTION 5.2 Payment due under mortgages upon the Unit which

are duly recorded prior to such sale or conveyance.

SECTION 6. FORECLOSURE PURCHASER. If the Institutional mortgagee of a Unit acquires title by foreclosure of its mortgage, or by deed in lieu of foreclosure, or if a purchaser acquired title at a foreclosure sale, such purchaser shall not be liable for the share of Common Expenses assessed by the Association upon the Unit so acquired accruing after the date of recording of such mortgage but prior to the acquisition of title. The unpaid assessments occurring during such period shall be deemed Common Expenses collectible from all Unit Owners, including such purchaser, his successors, heirs and assigns. The provisions of this Section, however, shall not release any Unit Owner from personal liability for unpaid assessments.

SECTION 7. RECORDS. The Board, or a management firm, which it employs, shall keep accurate and detailed records, in chronological order, of receipts and disbursements connected with the operation, administration, maintenance, repair and replacement of the Condominium Property. Such records, together with the vouchers authorizing payments, shall be available for examination by the Unit Owners at convenient hours on working days, with the appropriate hours being set and announced for general knowledge.

SECTION 8. DEFAULT. In the event of any default on the part of any co-owner under any first mortgage made in good faith and for value, which entitled the owner thereof to foreclose same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of the Declaration of Covenants, Restrictions and Affirmative Obligations of Sea Pines Plantation Company dealing with the repurchase option of first refusal reserved unto the Grantor. The purchaser under such foreclosure sale (or grantee under such deed in lieu of foreclosure) of such condominium unit shall be thereupon and thereafter subject to all of the provisions of said Master Deed.

Provided, however, that if the purchaser at such foreclosure sale (or the grantee under deed given in lieu of foreclosure) shall be the then holder of the first mortgage, or its nominee, the said holder or nominee may thereafter sell and convey the Condominium Unit free and clear of the provisions of said declaration dealing with the repurchase option of first refusal, but its grantee shall thereupon and thereafter be subject to all of the provisions thereof.

ARTICLE IX

RESTRICTIONS, COVENANTS, EASEMENTS

SECTION 1. COVENANT TO COMPLY WITH RESTRICTIONS AND OBLIGATIONS. Each Unit Owner by acceptance of a deed to a Unit in this horizontal property regime ratifies and covenants to observe in behalf of himself, his heirs, successors and assigns, the following:

SECTION 1.1 The Declaration of Covenants, Restrictions and Affirmative Obligations applicable to all Multi-Family Residence Areas, dated July 9, 1964, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 124 at Page 35, and any applicable recorded additions and amendments thereto (hereinafter called the "Covenants").

SECTION 1.2 The Declaration of Covenants and Restrictions for South Beach and provisions for the South Beach Owners Association, Inc., declared by the Lighthouse Beach Company and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 176 at Page 203.

SECTION 1.3 The Declaration of Covenants and Restrictions by Sea Pines Plantation Company, dated September 7, 1974, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Deed Book 224 at Page 1036, and any recorded amendments thereto.

SECTION 1.4 This master Deed, the By-Laws, decisions, and resolutions of the Association, Board, or their representatives, as lawfully amended from time to time, and failure to comply with

any such provisions, decisions, or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief; provided that nothing contained herein shall limit the rights of the Sea Pines Plantation Company as set forth in the aforesaid Declaration.

SECTION 1.5 The specific limitations on use set forth at subparagraph 6 of Section 1 of Article V above.

SECTION 2. UTILITY EASEMENTS. Each Unit Owner shall have a non-exclusive easement appurtenant to his Unit for the use in common with other Unit Owners of all pipes, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements located in any other Unit or within the Common Elements and serving his Unit. Each Unit shall be subject to an easement in favor of the owners of all other Units to use the pipes, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements serving the Unit which is located in such Units.

SECTION 3. ENCROACHMENTS. There shall be an easement in favor of the Association to the extent that if any portion of the Common Elements encroaches upon any Unit, and there shall be an easement appurtenant to any Unit to the extent any portion of the Unit encroaches upon the Common Elements or upon another Unit, whether such encroachment presently exists or occurs hereafter as a result of:

- (1) settling or shifting on any part of the Condominium property;
- (2) repair, alteration or reconstruction of the Common Elements made by the Association or with its consent;
- (3) repair or reconstruction necessitated by condemnation of any part of the Condominium Property. Any such easements shall be permitted and maintained so long as this Master Deed remains in effect and the Condominium Property remains subject to the Horizontal Property Act.

→ SECTION 4. RIGHT OF ACCESS. The Association shall have the right of access to each Unit during reasonable hours and with reasonable notice for maintaining, repairing, or replacing any Common Elements located within or accessible through the Unit or

for making emergency repairs within the Unit necessary to prevent damage to the Common Elements or to another Unit. This easement and right of access may be exercised by the Board, by its agents and employees, or by a management firm to whom the responsibility of maintaining has been delegated. Damages resulting to any Unit because of such maintenance repairs shall be corrected promptly at the expense of the Association.

SECTION 5. PUBLIC UTILITY EASEMENTS. The Condominium Property is subject to easements for access, ingress, and egress to adjacent utility owned property and to utility easements for installation, operation, and maintenance of electric and telephone distribution lines and for installation, operation and maintenance of water and sewer lines. The Board may grant easements and relocate existing easements for installation of utilities if such easements are beneficial to the operation of the Condominium Property. If the location or nature of any utility easement is adverse to the Condominium Property or of doubtful benefit, the Board may grant such easements only when authorized by a vote of the Association.

SECTION 6. DEVELOPER'S EASEMENT. The Grantor, its assignees, their agents, servants, contractors, and subcontractors, shall have a non-exclusive easement to use private ways and common elements for the purpose of ingress and egress, construction and unit sales and for such other uses as is necessary to successfully achieve the above mentioned purposes. In addition, the above mentioned parties may maintain one or more units as models and sales offices. Such easement shall terminate upon the date on which all phases of Beachside Tennis Villas are complete and all contractual or warranty obligations of the above mentioned parties appertaining to Beachside Tennis Villas have terminated.

ARTICLE X

INSURANCE

SECTION 1. FLOOD AND HAZARD INSURANCE. The Board shall insure (all in form, content and amount satisfactory to Mortgagees) the Condominium Property against loss or damage due to flood and fire and lightning, with extended coverage, in an amount equal to

the maximum insurable replacement value of the Condominium Property as determined by its annual appraisal. The Board shall have the authority also to insure against other hazards and risks as it may deem desirable for protection of the Condominium Property. All hazard insurance shall cover the entire Condominium Property, exclusive only of the contents and furnishings of the individual units.

SECTION 1.1 All flood and hazard insurance policies obtained by the Board shall designate the Board as the named insured as Insurance Trustee for the benefit of all Unit Owners and their mortgagees collectively, as their respective interest may appear. In the event of loss or damage, all insurance proceeds shall be paid to the Board of Insurance Trustee under the provisions of this Master Deed.

SECTION 1.2 All flood and hazard insurance policies obtained by the Board shall provide for the issuance of Certificates of Insurance to each Unit Owner and any Mortgagee. Each Certificate shall evidence the issuance of the Master Policy and shall indicate the amount of insurance covering the building within which the respective Unit is located. If a Unit is mortgaged, a Certificate of Insurance shall be issued to the mortgagee bearing a standard mortgagee endorsement, if requested.

SECTION 1.3 If obtainable, all hazard insurance policies upon the Condominium Property shall include provisions waiving:

- (1) Any rights of the insurer to subrogation against the Association, its agents and employees, and against the individual Unit Owners and their servants, agents, and guests;
- (2) Any rights of the insurer to contribution from hazard insurance purchased by the Unit Owners upon the contents and furnishings of their Units.

SECTION 2. PUBLIC LIABILITY INSURANCE. The Board shall obtain comprehensive public liability insurance with limits and provisions as it deems desirable and as may be obtainable (all in form, content and amount satisfactory to Mortgagees). All such policies shall contain severability of interest clauses or

endorsements extending coverage to liabilities of the Association to an individual Unit Owner and to liabilities of one Unit Owner to another Unit Owner.

SECTION 3. WORKER'S COMPENSATION INSURANCE. The Board, as necessary, shall obtain Worker's Compensation Insurance to meet the requirements of law.

SECTION 4. PREMIUMS. All premiums upon insurance policies purchased by the Board shall be assessed as Common Expenses and paid by the Board.

SECTION 5. INSURANCE BY UNIT OWNER. Each Unit Owner shall be responsible for obtaining, at his sole expense, insurance covering the personal property, decorations and furnishings within his own Unit, and the additions and improvements made by him to the Unit. Each Unit Owner shall also be responsible for obtaining, at his own expense, insurance covering his liability for the safety of the premises within his Unit. All such insurance policies shall include, however, provisions waiving:

- (1) Any right of the insurer to subrogation to claims against the Association and against individual Unit Owners, as well as their agents, servants, employees and guests; and
- (2) Any right of the insurer to contribution or pro-rata because of the master hazard policy.

SECTION 6. SUBSTITUTION OF INSURANCE TRUSTEE. The Board, in its discretion, may decline to serve as Insurance Trustee and may appoint in its place any financial institution which is qualified and willing to act as Trustee and which also has offices in Beaufort County, South Carolina. Any substitute Insurance Trustee appointed by the Board shall succeed to all of the powers and responsibilities vested in the Board as Insurance Trustee under the terms of this Master Deed.

ARTICLE XI

RECONSTRUCTION AND REPAIRS

SECTION 1. RECONSTRUCTION. In case of fire or any other disaster, the proceeds of all casualty insurance shall, except as provided in Section 27-31-260 of the Horizontal Property Act of the State of South Carolina, be applied to reconstruct the Condominium property. Reconstruction shall not be compulsory where it

comprises a whole or more than two-thirds (2/3's) of the Condominium Property. In such case, and unless otherwise unanimously agreed upon by the co-owners, the casualty insurance proceeds shall be delivered prorata to the co-owners entitled to it in accordance with provisions made in the By-Laws or in accordance with a decision of three-fourths (3/4's) of the co-owners if there is no By-Law provision. Should it be proper to proceed with the reconstruction, the provisions for such eventuality made in the By-Laws shall be observed, or, in lieu thereof, the decision of the council of co-owners shall prevail.

SECTION 1.1 Any reconstruction or repair must follow substantially the original plans and specifications of the Condominium Property unless the Unit Owners holding Seventy-Five (75%) percent or more of the total interest in Common Elements and their mortgagees, if any, vote to adopt different plans and specifications and all Unit Owners whose Units are affected by the alterations unanimously consent.

SECTION 1.2 The Board shall promptly obtain estimates of the cost required to restore the damaged property to its condition before the casualty occurred. Such costs may include professional fees and premiums for bonds as the Board deems necessary.

SECTION 1.3 If the insurance proceeds paid to the Board are insufficient to cover the cost of reconstruction, the deficiency shall be paid as a special assessment by the Unit Owners whose Units are directly affected by the damage in proportion to the damage done in their respective Units.

SECTION 1.4 The insurance proceeds received by the Board and any special assessments collected to cover a deficiency in insurance shall constitute a construction fund from which the Board shall disburse payment of the costs of reconstruction and repair. It shall be presumed that the first disbursements from the construction fund are insurance proceeds, and if there is a balance in the fund after payment of all costs of reconstruction and repair, it shall be distributed to the Unit Owners who paid

special assessments in proportion to their payments. Any balance remaining after such distribution shall be that of the Association.

SECTION 2. INSURANCE TRUST. In the event of a casualty loss to the Condominium Property, all insurance proceeds indemnifying the loss or damage shall be paid to the Board as Insurance Trustee. The Board, acting as Insurance Trustee, shall receive and hold all insurance proceeds in trust for the purposes stated in this Article, and for the benefit of the Association, the Unit Owners, and their respective mortgagees in the following shares:

SECTION 2.1 Insurance proceeds paid on account of loss or damage to the Common Elements only shall be held in the same proportion as the undivided interests in the Common Elements which are appurtenant to each of the Units.

SECTION 2.2 Insurance proceeds paid on account of loss or damage to less than all of the Units, when the damage is to be restored shall be held for the Unit Owners and Mortgagees, jointly, of the damaged Units in proportion to the costs of repairing each damaged Unit.

SECTION 2.3 Insurance proceeds paid when the Condominium Property is not to be restored shall be held for the benefit of all Unit Owners and Mortgagees, jointly, the share of each being equal to the undivided share in Common Elements appurtenant to his Unit.

SECTION 2.4 When the Condominium Property is not insured or where the insurance is insufficient to cover the cost of reconstruction, the rebuilding costs shall be paid by all the co-owners directly affected by the damage, in proportion to the value of the respective Unit, or as may be provided by the By-Laws; and if anyone or more of those comprising the minority shall refuse to make such payments, the majority may proceed with the reconstruction at the expense of all the co-owners benefit of thereby, upon proper resolution setting forth the circumstances of the case and the cost of the works, with the intervention of the council of co-owners. This provision may be changed by unanimous resolution of the parties concerned, adopted subsequent to the date in which the fire or disaster occurred.

SECTION 3. ADJUSTMENT. Each Unit Owner shall be deemed to have delegated to the Board his right to adjust with insurance companies all losses under policies purchased by the Association, subject to the rights of institutional mortgagees of such Unit Owners.

ARTICLE XII
AMENDMENTS

SECTION 1. BY UNIT OWNERS. This Master Deed and the By-Laws may be amended from time to time at a duly held meeting of the Association by the affirmative vote of the Unit Owners holding three-fourths (3/4) or more of the total interest in Common Elements without the written consent of the Unit Owner(s) and their institutional mortgagees, if any, affected by the proposed alteration. Duly adopted amendments shall become effective when an instrument setting forth the amendment has been executed and filed of record by the officers of the Association.

ARTICLE XIII
TERMINATION

SECTION 1. CASUALTY OR CONDEMNATION. If after January 1, 1991, two-thirds (2/3) or more of the Condominium Property is substantially destroyed or taken by condemnation, the Condominium Property may be removed from the provisions of this Master Deed and the Horizontal Property Act in accordance with Article X.

SECTION 2. VOLUNTARY TERMINATION. This horizontal property regime may also be terminated, removing the Condominium Property from the provisions of this Master Deed and the Horizontal Property Act, if the record owners title to the Unit and the record owners of mortgages upon the Units agree in a written instrument to termination unanimously or in such percentage as may then be required for termination by the Horizontal Property Act. Termination shall become effective upon recordation of such written instrument, duly executed by the requisite number of Unit Owners and institutional mortgagees.

SECTION 3. OWNERSHIP AFTER TERMINATION. After termination of this horizontal property regime, the Unit Owners shall own the Condominium Property as tenants in common in undivided shares and

the holders of mortgages and liens upon the Units shall have mortgages and liens upon the respective undivided common interest of the Unit Owners. The undivided share of each tenant in common shall be the same as his undivided interest in Common Elements prior to termination. Any asset of the Association, any funds held by the Board, and any insurance proceeds shall also be the property of the former Unit Owners and tenants in common in the same undivided shares as their interest in Common Elements prior to termination. The costs incurred by the Board in connection with termination shall be considered a Common Expense.

SECTION 4. PARTITION. After termination, the Condominium Property shall be subject to an action for partition by any Unit Owner or any lienor in which event the net proceeds from the judicial sale shall be divided among all Unit Owners in proportion to their respective interest in Common Elements and paid to each Unit Owner and institutional mortgagee.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

SECTION 1. CONFLICTS. This Master Deed is made and declared in compliance with the Horizontal Property Act of the State of South Carolina. In the event of any conflict between this Master Deed and the provisions of the Horizontal Property Act, the provisions of this statute shall control.

SECTION 2. APPLICABLE LAW. The provisions of this Master Deed shall be construed under the laws of the State of South Carolina.

SECTION 3. INVALIDITY. The invalidity of any provisions of this Master Deed shall not impair the validity, enforceability, or effect of the remaining provisions; and in such event, all other provisions shall continue in full force as if the invalid provisions had not been included.

SECTION 4. GENDER AND NUMBER. The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine and neuter gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

SECTION 5. EXHIBITS. All exhibits to this Master Deed shall be an integral part of this instrument.

SECTION 6. CAPTIONS. Captions are inserted in this Master Deed for convenience only and are not to be used to interpret the provisions of this instrument.

IN WITNESS WHEREOF, Grantor has executed this Master Deed in its name this day, month, and year as first above written.

Signed, sealed and delivered in the presence of:

Phyllis G. Hadwin
Sara A. Parker

SEA PINES PLANTATION COMPANY

BY: Philip Lader cc

ATTEST: Charles A. Scarminach
Secretary

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

PROBATE

PERSONALLY appeared before me Phyllis G. Hadwin and made oath that (s)he saw the within SEA PINES PLANTATION COMPANY, by Philip Lader, its President, and by Charles A. Scarminach, its Secretary, sign, seal, and as its act and deed, deliver the within written instrument, and that (s)he with Sara A. Parker witnessed the execution thereof.

SWORN to before me this 31 day of July, 1981.

Phyllis G. Hadwin
(Witness)

Sara A. Parker
Notary Public for South Carolina
My Commission Expires: 4/2/82

EXHIBIT A

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Phase I

All those certain pieces, parcels or tracts of land consisting of a total of 5.032 acres situate, lying and being within Sea Pines Plantation, Hilton Head Island, Beaufort County, South Carolina, shown and described as "Phase I-A," and "Phase I-B," of Beachside Villas, also known as Beachside Tennis Villas as shown and described on a plat entitled "An As-Built Survey of Phase I-A, Beachside Villas, Sea Pines Plantation" prepared by Coastal Surveying Company, Inc., and dated July 16, 1981, as revised. Said plat recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 29 at Page 160. For a more detailed description as to courses, metes, bounds, distances, locations, etc. reference to said plat of record is hereby craved.

Phase II

All that certain piece, parcel or tract of land consisting of 4.330 acres situate, lying and being in Sea Pines Plantation on Hilton Head Island, Beaufort County, South Carolina, and known and described as "Parcel BB" as shown on the plat entitled "An As-Built Survey of Phase I-A, Beachside Villas, Sea Pines Plantation" and also known as Beachside Tennis Villas with said plat prepared by Coastal Surveying Company, Inc., and dated July 16, 1981, as revised. Said plat recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 29 at Page 160. For a more detailed description as to locations, courses, metes, bounds, distances said plat of record is hereby craved.

General

AND ALSO, a non-exclusive easement appurtenant to Phase I and Phase II (if annexed hereto) for ingress, egress, parking and utilities as shown on the above referenced plat as containing 1.223 acres.

AND ALSO, the within property is subject to all of the easements, conditions, etc. as stated in those mortgages between the Grantor herein and First Federal Savings and Loan Association, Savannah, Georgia said mortgages recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Mortgage Book 239 at Page 1938 and Mortgage Book 234 of Page 1094. However, the within easements, conditions, etc. provided for therein are to remain effective only so long as either or both of said mortgages are not fully satisfied and removed of record.

AND ALSO, an easement hereby granted to all owners of condominium units in Phases I and II, their respective heirs and assigns, to transverse property known as Phases I and II freely and without restriction but only upon the dedication of Phase II to the condominium regime by Amendatory Declaration.

AND ALSO, an easement is hereby granted to all Phase I apartment owners, their assigns, heirs, and successors and their proper guests to have free access to the pool which shall be constructed on Phase II property in accordance with all rules and regulations as promulgated for Phase I and II condominium owners or, in the event Phase II is not dedicated to the regime, an easement is hereby granted to all Phase I owners to free ingress, egress and use of the pool in common with other proper users of said pool which is to be constructed on Parcel BB which said Parcel BB is shown and identified on said plat.

No improvements, structures, building, or facility of any kind shall be constructed or erected (other than one building containing 17 condominium units) on property described in the above mentioned plat as Phase 1-B, provided however that this restrictive covenant may be amended or modified with the affirmative vote of the unit owners holding three-fourths (3/4) or more of the total interest in the common elements. The purpose of this restrictive covenant is to assure that said unit owners shall have a scenic view of Calibogue Sound from said Phase 1-B property.

EXHIBIT B

Exhibit B is the plat of record entitled "An Asbuilt Survey of Phase 1-A, Beachside Villas" and prepared by Coastal Surveying Company, Inc. and dated July 16, 1981 and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 34 at Page 160.

DESCRIPTION OF COMMON ELEMENTS

The common elements associated with Beachside Villas Horizontal Property Regime LXXVIII consist of parking, roadways, walkways, and all property not considered as limited common elements or the apartments themselves and a pool and associated recreation area to be located on Parcel "BB" which said Parcel "BB" is shown on the plat of the Regime attached as Exhibit "B" to the within Master Deed. Said pool and associated recreation area shall be located on Parcel "BB" as described on the drawing attached as Exhibit "C-1" to the within Master Deed.

